

US EPA OECA AIR INSPECTION REPORT

Inspection Dates: September 26 – 30, 2016

Type of inspection: Clean Air Act, Partial Compliance Evaluation

Company Name: **EOG Resources, Inc.**

Facility Names: Eagle Ford Oil and Gas Production Sites

Physical Location: 1900 Ridgewood Pkwy, San Antonio, TX 78259-1828

Sites: Gonzales, LaSalle, Karnes, Dewitt, and McMullen Counties, TX

Mailing Address: Main Office: 1111 Bagby Sky Lobby 2

Houston, TX 77002

County/Parish: Harris County
Reg. Programs: SIP, NSPS OOOOa

SIC Code: 1311, 1321

Facility Representatives:

Gordon Goodman Safety and Environmental Director 817-344-1156

Jim Guiliani Division Production Manager 210-403-7728

Dale Willenbring Facilities and Pipeline Manager 210-483-4444

Kevin Shomette Environmental Supervisor 201-471-0948

Darryl Burger Safety Manager 713-651-7072

EPA Inspectors:

Stephen Rieck Environmental Scientist 404-562-9177

Cary Secrest Environmental Protection Specialist 202-564-8661

EPA /s/ 10/19/16 Inspector:

Cary Secrest (Date)

EPA Inspector: 10/19/16

Stephen Rieck (Date)

Summary

This inspection report is comprised of two sections:

- **Section I Introduction** includes the following topics:
 - o Purpose of the Inspection,
 - o Facility Description
- Section II Observations

Section I – INTRODUCTION

PURPOSE OF THE INSPECTION

On September 26, Steve Rieck and I (Cary Secrest) presented our credentials to the site security officer at the San Antonio office where we received office building passes. We met with the above-referenced facility personnel and described the purpose of the inspection; for the remainder of the morning and afternoon we attended a lengthy health and safety training session presented by Mr. Burger, focusing on hydrogen sulfide in oil and gas production fields.

Our inspection objective was to visit as many multi-well production facilities as time allowed to assess, through FLIR camera optical gas imaging and photoionization detection (PID), the extent of excess VOC emissions from storage tanks, Enardo valves, flares, "Fisher" pneumatic tank level controllers, and other process equipment.

FACILITY DESCRIPTION

EOG's multi-well production facilities have storage tanks and other equipment that process the natural gas and liquids, including produced water, from multiple wells. The facilities have 3-phase separators, heater-treaters, vapor recovery towers (at some), and 500 barrel storage tanks that separately contain crude oil, produced water, and in some cases pentane used for crude oil blending. The tanks have automatic level gauging, therefore the thief hatches are not routinely opened. EOG stated that they store all of the produced water in tanks; the rectangular "ponds" that are apparent in Google Earth images are fresh water ponds used for drilling wells.

EOG's facilities are permitted by TCEQ. Each facility has a site-specific VOC emissions limit. Emissions reporting is not required by TCEQ.

EOG employs field personnel trained in the use of FLIR GF320 optical gas imaging cameras. Each facility is scanned every 6 months for "find and fix" VOC leak detection and repair. EOG personnel said that common issues include failed Enardo valve gaskets which EOG is replacing with more robust gaskets, and restricted vent pipes (gas flow restricted by rust) which can trigger tank thief hatch pressure release valves to open and emit VOCs. EOG described a "roto-rooter" type device they used to clean out restricted vent pipes to abate emissions.

EOG is in the midst of a program to convert their Fisher pneumatic controllers, which often leak VOCs, from natural gas-actuated to compressed air; 265 multi-well facilities have been converted to compressed air and the remaining 400 will be converted by the end of 2019. EOG believes they are ahead of their competitors in eliminating VOC emissions from the controllers by converting to compressed air.

Section II – OBSERVATIONS

We conducted our ground-level emissions surveys using the following equipment:

- IR camera manufactured by FLIR, Model GF320, serial number 444401737. Optical gas imaging (FLIR camera recordings) of emissions sources were normally conducted first in visible light mode, then high sensitivity mode (HSM) for screening purposes, and then in full automatic mode (auto).
- PIDs cannot detect methane, ethane, or propane. We used a PID manufactured by Rae Systems called the "ppbRae3000," serial number 594-901619, to confirm that emission plumes contained regulated VOCs including butane and higher molecular weight compounds.
- We recorded the Lat/long coordinates for each site using a Garmin GPS which displayed the coordinates in degrees, minutes, and seconds. The record below presents the coordinates converted to decimal format using an on-line converter. We recorded the local wind speed and direction using a hand-held weather monitor (Kestrel NV4500).
- Messrs. Goodman and Giuliani escorted us during the field surveys.

The PID calibration record is in the "OECA Photo-ionization Detector Calibration Records" file maintained by Cary Secrest. The PID calibration checks were normal, and PID and IR camera time log was checked each morning against the National Institute of Standards and Testing atomic clock (via Cary Secrest's radio controlled digital watch) prior to equipment operation as detailed in Section II.

We assess that 70% or more of the observed Fisher controllers leaked VOCs constantly, and up to 8% of the 196 tanks observed had thief hatch emissions. The percentage of leaking Enardo valves cannot be accurately stated from field notes but were on the order of the tank leak rate. Two of the 18 multi-well site flares were emitting excessively due to incorrect program logic controller settings.

Lasalle County Region

Site Name(s)	Naylor Jones 185, East, 100, and 205.
Lat/Long	28.415667, -98.895361
Date/Time	09/27/16 @ 10:40
Number of Tanks	19. No FLIR-visible hatch emissions.
Wind	Calm to 0.5 m/s
FLIR MOV_	_0085 – Flare0086 – Fisher controller emissions0087 - VRT inlet suction
	scrubber flange.
Notes	VOC leaks were found at a Fisher controller and VRT inlet suction scrubber
	flange. PID concentrations ranged 100 – 300 ppbV downwind of the northern tank
	battery.

Site Name(s)	Naylor Jones 103, 183, 102, 91.
Lat/Long	28.421972, -98.8796211
Date/Time	09/27/16 @ 11:52
Number of Tanks	20. No FLIR-visible hatch emissions.
Wind	N @ 1.5 m/s
FLIR MOV_	_ 0091 – Leaking Enardo Valve at Naylor Jones 910092 - Leaking natural gas actuated flare vent gas controller0093 – leaking Enardo valve above tank "EOG Oil 4" at Naylor Jones 103, looking south0094 – leaking Enardo valve above tank "EOG H ₂ O 1" produced water tank, Naylor Jones 103; on common vent line as _0093 valve0095 – leaking Endardo valve above tank "EOG Oil 4," Naylor Jones 910110 – Enardo leak on Naylor Jones 103 after repairs.
Notes	At 12:58, an EOG maintenance crew arrived to diagnose the leaking Enardo valves and vent gas controller. We returned at 16:01 after repairs were made and confirmed that the valve emissions were reduced.

Site Name(s)	Naylor Jones 36, 53, 54, 127
Lat/Long	28.420194, -98.860472
Date/Time	09/27/16 @ 13:24
Number of Tanks	20. FLIR-visible emissions from at least one tank.
Wind	N @ 1.5 m/s
FLIR MOV_	_0098 – Emissions from Naylor Jones 54 tanks0099 – Emissions from UltraFab
	vent0100 – Emissions from UltraFab vent0101 – UltraFab chemical pump
	supplying Triazene.
Notes	N.J. 127/53 – All 4 Fisher controllers on 3-phase separators leaking and several
	high ppm leaks on "UltraFab" H ₂ S removal unit; flare is operating with normal
	plume. N.J. 36/54 – 3 of 4 Fisher controllers were leaking, concentration > 100
	ppmV; there were no FLIR-visible emissions from the 4 Enardo valves. Mr.
	Guiliani said that the UltraFab unit will be converted to compressed air along with
	the Fisher controllers.

Site Name(s)	Naylor Jones 51, 52, 55, 37
Lat/Long	28.420722, -98.841417
Date/Time	09/27/16 @ 14:27
Number of Tanks	9. FLIR-visible emission from one tank.
Wind	N @ 1.0 m/s
FLIR MOV_	_0103 – Fisher controller emissions0104 - Hatch leak from crude oil tank.
	_0105 – Emissions from Enardo valve on Naylor Jones 370106 – Collection of
	Fisher controller emissions.
Notes	There were no FLIR-visible emissions from the 4 Enardo valves.

Site Name(s)	Naylor Jones 39, 57, 56, 38
Lat/Long	28.42075, -98.820417
Date/Time	09/27/16 @ 15:16
Number of Tanks	18. No FLIR-visible emissions.
Wind	NW @ 1.2 m/s
FLIR MOV_	_0109 - Fisher controller emissions.
Notes	All 16 Fisher controllers were leaking; no FLIR-visible leaks were apparent from
	the 8 Enardo valves.

Site Name(s)	Naylor Jones 16, 21E, 21W, 9
Lat/Long	28.475806, -98.832917
Date/Time	09/28/16 @ 10:25
Number of Tanks	16. No FLIR-visible emissions.
Wind	NNE @ 1.2 m/s
FLIR MOV_	None.
Notes	9 of 12 Fisher controllers were leaking. No FLIR-visible leaks from the 4 Enardo
	valves.

Site Name(s)	Naylor Jones 17E, 17W.
Lat/Long	28.467583, -98.846972
Date/Time	09/28/16 @ 11:23
Number of Tanks	6. No FLIR-visible emissions.
Wind	N @ 0.5 m/s
FLIR MOV_	_0111 – Fisher valve emissions0112 and _0113 - Excessive VOC plume from
	the flare0114 - same flare plume after flare blower speed was reduced after
	remote-in flare reprogramming by EOG operations0115 – Same flare with
	increased flare blower speed.
Notes	The site flare blower speed was too high for the vent gas inlet rate causing
	incomplete VOC combustion. Mr. Guiliani called EOG operations who remotely
	reprogrammed the flare to operate at the correct speed. 3 of 5 Fisher controllers
	were leaking. There were no FLIR-visible emissions from the 4 Enardo valves.

Site Name(s)	Naylor Jones 35E, 19.
Lat/Long	28.467083, -98.859861
Date/Time	09/28/16 @ 12:54
Number of Tanks	8. No FLIR-visible emissions.
Wind	N @ 2.1 m/s
FLIR MOV_	_0120 and _0121 – Visible smoking flare0122 Enardo valve emissions on
	Naylor Jones 35E.
Notes	Smoking flare; air assist blower not operating. Flare tech arrived at 13:12 and
	found that the program logic controller setting for the blower was incorrect and
	repaired the problem. 8 of 12 Fisher controllers were leaking. 1 of 4 Enardo
	valves had intermittent FLIR-visible emissions.

Site Name(s)	Naylor Jones 35W, 18, 72, and 84.
Lat/Long	28.465278, -98.875806
Date/Time	09/28/16 @ 13:52
Number of Tanks	19. No FLIR-visible emissions.
Wind	NNW @ 0.5 m/s
FLIR MOV_	_0123 – Enardo valve emissions on Naylor Jones 180124 – Leak on Naylor
	Jones 72 connector (repaired on site).
Notes	Pneumatics at tank battery Naylor Jones 35W/18 are operated on compressed air;
	PID readings downwind of the battery were in the low ppbV; typical PID
	concentrations downwind of natural gas operated batteries have been in the 100 –
	500 ppbV range due to leaking Fisher controllers. Pneumatics at Tank battery
	Naylor Jones 72/84 are operated on natural gas; 8 of 12 Fisher controllers were
	leaking. Two of the 8 Enardo valves had FLIR-visible emissions.

Site Name(s)	Naylor Jones 169, 145, 85W, 155.
Lat/Long	28.464528, -98.885889
Date/Time	09/28/16, 14:32
Number of Tanks	20. No FLIR-visible emissions.
Wind	Light and variable.
FLIR MOV_	_0125 – Naylor Jones 169/145 flare0126 – Enardo valve emissions on Naylor Jones 169.
Notes	Flare was operating and the plume was normal; manual air inlet damper, no program logic controller. 22 of 28 Fisher controllers were leaking. 1 of 4 Enardo valves had FLIR-visible emissions.

Gonzales County Region

Site Name(s)	Santana Unit
Lat/Long	29.195028, -97.617
Date/Time	09/29/16 @ 09:50
Number of Tanks	4. FLIR-visible emissions from hatch area of 3 tanks.
Wind	NW @ 2.3 m/s
FLIR MOV_	_0128 Tank top emissions from Santana unit.
Notes	3 of 4 Fisher controllers were leaking. 1 fixed roof tank contained hydrocarbon for
	crude oil blending. Flare was operating with a normal plume.

Site Name(s)	Fogarty/Petty
Lat/Long	29.201694, -97.605083
Date/Time	09/29/16 @ 10:40
Number of Tanks	10 (2 contain pentane). FLIR-visible emissions.
Wind	N @ 1.1 m/s
FLIR MOV_	_0130 – Enardo valve emissions on Fogerty Unit0131 – Tank top emissions on
	Petty unit0132 - Survey of 5 tanks. Significant emissions from one or more
	tanks0133 – Crude oil tank at Petty Unit0134 – Tank top emissions on
	Fogerty produced water tank.
Notes	Pneumatics all operated with compressed air.

Site Name(s)	Vaughn			
Lat/Long	29.229389, -97.629361			
Date/Time	09/29/16 @ 11:39			
Number of Tanks	4. FLIR-visible emissions from produced water tank and oil tank #2.			
Wind	NE @ 1.4 m/s			
FLIR MOV_	_0136 – Tank hatch emissions on Vaughn unit produced water tank.			
Notes	2 of 4 Fisher controllers were leaking. The 2 Enardo valves were not leaking.			

Site Name(s)	Hilbrich Unit				
Lat/Long	29.209861, -97.537917				
Date/Time	09/29/16 @ 13:07				
Number of Tanks	8. No FLIR-visible emissions.				
Wind	NE @ 1.4 m/s				
FLIR MOV_	None.				
Notes	2 of 6 Fisher controllers and 1 of 4 Enardo valves were leaking. Flare had				
	incipient soot but good VOC combustion.				

Site Name(s)	Borchers Trust				
Lat/Long	29.221611, -97.544806				
Date/Time	09/29/16 @ 13:45				
Number of Tanks	8. No FLIR-visible emissions.				
Wind	NE @ 4 m/s				
FLIR MOV_	None.				
Notes	Pneumatics operate on compressed air. Flare was operating with good				
	combustion.				

Site Name(s)	Borchers Koenning
Lat/Long	29.215222, -97.550389
Date/Time	09/29/16 @ 14:22
Number of Tanks	8. No FLIR-visible emissions.
Wind	NE @ 4 m/s
FLIR MOV_	None
Notes	Flare in operation, good combustion.

Site Name(s)	BLT Unit				
Lat/Long	29.194167, -97.550139				
Date/Time	09/29/2016 @ 14:54				
Number of Tanks	8. No FLIR-visible emissions.				
Wind	N @ 2.0 m/s				
FLIR MOV_	None.				
Notes	2 of 6 Fisher controllers and 2 of 4 Enardo valves were leaking. Flares were				
	operating with good combustion.				

Site Name(s)	Rucker and Hagar Units				
Lat/Long	29.183447, -97.541944				
Date/Time	09/29/16 @ 15:15				
Number of Tanks	7. FLIR-visible emissions.				
Wind	N @ 5 m/s				
FLIR MOV_	_0142 - Excessive emissions most likely from Hagar oil tank #1.				
Notes	Potentially excessive FLIR-visible emissions from the flare; flare was operating				
	with 1:17 to 1:20 vent gas to assist air ratio. 1 of 4 Enardo valves was leaking.				
	Pneumatic controllers are on compressed air.				